



# Committee On Finance

Max Baucus, Ranking Member

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## NEWS RELEASE

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## **BAUCUS BILL WOULD EXTEND EXPIRING TRADE PROGRAMS**

*Legislation offers Congress time to re-examine tariff preference programs*

*Washington, DC* – U.S. Senator Max Baucus (D-Mont.), Ranking Democrat on the Senate Finance Committee, today introduced the Emergency Trade Program Extension Act of 2006. The bill extends several important trade programs set to expire soon. Baucus's bill, an identical companion to legislation introduced yesterday by House Ways and Means Ranking Democrat Charlie Rangel, would extend for two years the Generalized System of Preferences (GSP) and the Andean Trade Preferences Act (ATPA), both of which currently expire at the end of the year. These programs allow developing countries and the Andean countries to export certain products to the United States duty-free. The Office of the U.S. Trade Representative recently began a review of the GSP program that will not be completed until mid-November at the earliest.

**“There has been a lot of criticism of these programs recently, much of it valid. But I believe that Congress should consider the future of these important programs before they simply expire,”** said Baucus. **“We should examine carefully the effect these programs have on U.S. workers and businesses, on America’s image around the world, and on our trade priorities in the Doha Round and elsewhere.”**

The bill also extends for one year the “third country fabric” provisions of the Africa Growth and Opportunity Act (AGOA), which has been critical to helping create jobs in sub-Saharan Africa. Those provisions currently expire on October 1, 2007. But because U.S. apparel companies make sourcing decisions six months or even a year in advance, African businesses that rely on AGOA are already starting to lose orders due to uncertainty about the law.

**“It may well be that major changes are needed for all these programs,”** said Baucus. **“But we should not force workers and businesses who rely upon these programs to endure the real disruption that an expiration would cause while we figure out what to do.”**

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